

Risk Register Actions						Appendix 1
Ref	Risk	Existing Actions	Action Owner	Review Date	June 2020 Update	
1	Long term returns fail to be in line with assumptions	Design of a new ISS driven by the 2019 valuation Implementation of a new ISS in a timely way Liaison with Border to Coast to ensure appropriate investment vehicles are available Introduction of a climate change policy.	Pension Investments Manager	Jun-20	Investment Strategy update approved in March 2020.  Updated Responsible Investment Policy and Climate Risk Strategy approved in March 2020.  Regular engagement with Border to Coast continues, including attendance at investment sub-committee meetings.	
2	Short term falls in asset values	Ensure actual asset allocations remain within tolerances to ensure exposure to risk is as planned within the investment strategy Consider asset protection strategies (e.g. equity protection, currency protection, diversification, etc) when appropriate for meeting specific short term objectives Cashflow planning (refer to risk 3)	Pension Investments Manager	Jun-20	The new investment strategy will improve diversification over time.  Refer to Risk 3 update regarding cashflow.	
3	Cashflow requirements cannot be met	Strategic cashflow review by fund officers and financial advisers. Provision of information to precepting authorities who may make early pension payments, ensuring appropriate notice is provided to the fund.	Pension Investments Manager	1/9/20	Cashflow planning in some detail has been reviewed by Hymans and fund officers, with a plan in place to hold adequate cash balances. A dedicated cashflow report/agenda item was considered at the June Pension Fund Investment Sub Committee.	
4	Poor performance of actively managed funds	Embedding of appropriate monitoring of funds managed by the Border to Coast Pension Partnership	Pension Investments Manager	1/9/20	Regular monitoring reports from Border to Coast are received. Actively managed fund performance has been below benchmark recently but the longer term position will take more time to become clear.	
5	Failure to realise pooling benefits	Review of mechanisms for monitoring cost savings to ensure maximum transparency	Pension Investments Manager	30/9/20	A pooling benefits realisation review is planned for later in the year, to be reported to the September Pension Fund Investment Sub Committee.	
6	Fraud	Implement any recommendations arising from the 2019/20 routine internal audit of Pension Administration	Pensions Administration Delivery Lead	1/9/2020	Awaiting finalisation of audit recommendations.	
7	Liabilities increase further than assumptions	None			An actuarial report to the Pension Fund Investment Subcommittee in June included reference to risks and impacts on liabilities driven by Covid-19..	
8	Inadequate data quality	Monthly monitoring of actual and potential breaches activity Embed new protocols for co-ordination with Warwickshire County Council payroll Implementation of iConnect Implementation of Member Self Service Review/debrief of lessons learned from 2019 Valuation	Pensions Administration Delivery Lead	31/7/20	Monthly officer monitoring of breach activity and monthly meetings with Warwickshire County Council Payroll continues.  iConnect project is at the full business case stage and will be seeking approval to proceed with initial employer onboarding in 2020/21. Member Self Service will then follow.  A valuation debrief report is to be compiled and reported to the Local Pension Board in July.	

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9	Employer contributions not being paid	<p>Updated and revised Administration Strategy including the facility to charge costs for late payment</p> <p>New staffing structure with more dedicated capacity for policy development and employer liaison</p> <p>Covenant review of high risk employers where appropriate</p>	<p>Governance and Policy Officer</p> <p>Pensions Administration Delivery Lead</p> <p>Pensions Administration Delivery Lead</p>	<p>March 2020</p> <p>July 2020</p> <p>September 2020</p>	<p>A revised Administration Strategy was issued for consultation with employers in April 2020, and was approved by the Staff and Pensions Committee on the 8th June 2020.</p> <p>Recruitment to the new structure continues with appointments made to both the Administration Delivery Lead and Pensions and Investment Manager posts.</p>
10	Fund reputation is harmed	New data improvement plan stemming from review of 2019 valuation	Pensions Administration Delivery Lead	1/6/20	A valuation report is to be compiled and reported to the Local Pension Board in July.
11	Loss of service provision due to disruption	<p>Review and update of disaster recovery plan</p> <p>Creation of a cyber security policy</p>	Pension Investments Manager	30/9/20	<p>The review of the disaster recovery plan has been superceeded by reacting to the Covid-19 pandemic. Once it is possible to review the plan lessons from this emergency will be incorporated.</p> <p>A Cyber Security policy was drafted and was due to be presented to the Staff and Pensions Committee for approval in June. This has been deferred to September to enable the committee to focus on the top priorities at this time. However officers can still progress aspects of the policy.</p>
12	Lack of skills and knowledge	<p>Implementation of the new staffing structure and recruitment to new posts</p> <p>The implementation of a new training and development regime for staff</p> <p>Pro-active talent mapping and succession planning for internal staff</p> <p>The introduction of longer term workforce planning</p> <p>Budget setting informed by cost drivers not cash limits</p>	<p>Strategy and Commissioning Manager</p> <p>and</p> <p>Transformation Manager</p>	Sep-20	Recruitment to the new structure continues with appointments made to both the Administration Delivery Lead and Pensions and Investment Manager posts.
13	Failure to meet governance standards	<p>Review of terms of reference of pension fund committees and the Local Pension Board</p> <p>Governance review by an independent expert</p> <p>Pensions administration action plan</p> <p>Rolling forward plan of fund policy reviews</p> <p>Structural separation of governance and policy from deliver</p> <p>Active quarterly monitoring of fund risks by the Local Pension Board and investment sub committee</p>	Strategy and Commissioning Manager	Sep-20	<p>Local Pension Board terms of reference will be discussed at the July Local Pension Board. The terms of reference for the pension fund committees will be reviewed at a later date.</p> <p>The pension governance action plan is being progressed and an update will be reported to the Local Pension Board in July.</p> <p>The new commissioning/policy structure is in place, and work is under way to determine how this operates in practice and to inform planning for 2021/22.</p>